

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
SEATTLE DIVISION**

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

ISHAN WAHI, NIKHIL WAHI, and SAMEER
RAMANI,

Defendants.

Civil Action No. 2:22-cv-1009

DECLARATION OF MICHAEL
BRENNAN

I, Michael Brennan, pursuant to 28 U.S.C. § 1746, do hereby declare as follows:

1. I am over 18 years of age and employed as an Assistant Director by the United States Securities and Exchange Commission (“Commission” or “SEC”) in the Division of Enforcement, at the SEC’s headquarters office in Washington, D.C. I am currently a member in good standing of the District of Columbia Bar. I make this Declaration in support of the SEC’s Motion for Default Judgment against Defendant Sameer Ramani.

2. The facts set forth herein are based upon my personal knowledge, my discussions with other Commission staff members, and information contained in the files of the Commission.

3. Prior to filing the Complaint in this matter, the SEC conducted an investigation that included, among other things, gathering publicly available documents and obtaining documents from relevant third parties. Some records were gathered voluntarily, while others were produced in response to subpoenas.

1 **FACTS SUPPORTING DISGORGEMENT AND PREJUDGMENT INTEREST**
2 **CALCULATIONS**

3 **I. Methodology for Calculating Disgorgement**

4 4. To determine Ramani’s ill-gotten gains resulting from his violations of the securities
5 laws, I identified a “reasonable approximation of illicit trading proceeds causally connected to the
6 violation.” *SEC v. Pithapurwala*, No. CV 21-9384, 2022 WL 2200400, at *2 (C.D. Cal. June 13,
7 2022). My calculation of Ramani’s profits includes both realized and unrealized gains. A
8 defendant who engages in insider trading must disgorge the difference between the trade price and
9 the price of the stock “a reasonable time after public dissemination of the insider information.” *SEC*
10 *v. MacDonald*, 699 F.2d 47, 554-55 (1st Cir. 1983). As described below, my calculation of
11 Ramani’s profits is based on a *MacDonald* analysis relying on (1) the sales price of any crypto asset
12 securities that he sold on the day of Coinbase’s listing announcement or the following day,
13 compared to the price at which he purchased those crypto asset securities, and, (2) for any crypto
14 asset securities he held on to, the closing price on the day after Coinbase’s listing announcement, as
15 listed on CoinMarketCap, compared to the price at which he purchased those securities.
16 CoinMarketCap is a website that provides data concerning crypto assets, including their historical
17 prices.

18 5. Ramani acquired crypto asset securities about which Ramani had non-public
19 information related to a future listing on Coinbase (“NPI Crypto”) by causing blockchain addresses
20 he controlled, directly or indirectly, to trade certain crypto asset securities (chiefly ETH, USDT, and
21 USDC) for the NPI Crypto. For ease of description, I will refer to these transactions as
22 “purchases.”

23 6. Similarly, Ramani disposed of NPI Crypto by causing the blockchain address in
24 which those assets were held to trade the NPI Crypto for another crypto asset security (chiefly ETH
25 and USDC). For ease of description, I will refer to these transactions as “sales.”
26

1 7. To determine Ramani's purchase price of NPI Crypto, I used the value of the crypto
2 asset security (typically ETH, USDT, or USDC) that was traded for the NPI Crypto at the time of
3 the trade, according to the values provided by Etherscan. Etherscan is an analytics platform that
4 provides details about, among other things, finalized transactions using Ethereum. For transactions
5 in which I used Etherscan data, I used Etherscan's value for "Estimated Value on Day of Txn" for
6 the value of the relevant crypto asset security that was traded for the NPI Crypto.

7 8. To determine Ramani's "sale" price of NPI Crypto, I used the following
8 methodology:

- 9 a. If Ramani sold on the date of the Coinbase listing announcement or the next
10 calendar day, I used the value of the traded-for asset, using Etherscan data at
11 the time of the trade as the sales price of the NPI Crypto.
- 12 b. For any NPI Crypto that Ramani held more than one day after a Coinbase
13 listing announcement, I used the "closing price" of the asset (as stated by
14 CoinMarketCap) multiplied by the number of NPI Crypto tokens held more
15 than one calendar day after a Coinbase listing announcement.

16 9. To calculate Ramani's ill-gotten gains, I subtracted the purchase price from the sales
17 price for the transactions in the seven NPI Crypto alleged in the Amended Complaint.

18 **II. Disgorgement Calculation**

19 10. The Amended Complaint (Dkt. No. 27) alleges that Ramani frequently used nominee
20 accounts and anonymous wallets both to conduct the insider trading and to transfer and receive
21 illicit proceeds. To identify Ramani's illicit trades, analysts at the SEC conducted digital asset
22 tracing to identify blockchain addresses that made illicit trades in the NPI Crypto and had directly
23 or indirectly sent funds to, or received funds from, known Ramani wallets or accounts.

24 11. For example, on May 20, 2021, Ramani sent 13,308 USDC from his Coinbase
25 account to a Binance account purportedly held by a third party. On June 7, 2021, that Binance
26 account sent ETH to an unhosted address [0x2a1f], which traded ETH for AMP. An unhosted, or

“cold,” wallet is a self-custodied wallet that is not held on any crypto asset trading platform. On June 10, 2021, that unhosted address [0x2a1f] traded AMP for ETH, and sent the ETH proceeds to Ramani’s Binance account on June 10 and June 11, 2021.

12. Using the methodology described herein, I calculated Ramani’s approximate profits arising from his transactions related to six crypto asset securities, as reflected in the following chart:

Crypto Asset Security	Approximate Profit
AMP	\$22,187.16
DDX	\$37,035.31
RGT	\$22,152.74
XYO	\$658,155.44
KROM	\$60,281.50
DFX	\$17,790.80
Total	\$817,602

13. Therefore, I have approximated that Ramani’s ill-gotten gains as a result of the scheme alleged in the Amended Complaint were \$817,602.

III. Prejudgment Interest Calculation

14. I have calculated prejudgment interest based on disgorgement of \$817,602. Attached as Exhibit A is a true and correct copy of the prejudgment interest report the SEC staff prepared. This report reflects prejudgment interest of \$79,570 from May 1, 2022 – the first day of the month after Ramani’s most recent purchases of NPI Crypto, as alleged in the Amended Complaint – until October 31, 2023, the last day of the month in which the Clerk of the Court entered default against Defendant Ramani (Dkt. No. 115).

Executed on January 17, 2024.

/s/ Michael Brennan

Michael Brennan
Attorney for Plaintiff
Securities and Exchange Commission

Exhibit A



U.S. Securities and Exchange Commission Prejudgment Interest Report

Ramani PJI 4.11.22 - 11.2.23

Quarter Range	Annual Rate	Period Rate	Quarter Interest	Principal+Interest
Violation Amount				\$817,602.00
05/01/2022-06/30/2022	4.00%	0.67%	\$5,465.61	\$823,067.61
07/01/2022-09/30/2022	5.00%	1.26%	\$10,372.91	\$833,440.52
10/01/2022-12/31/2022	6.00%	1.51%	\$12,604.36	\$846,044.88
01/01/2023-03/31/2023	7.00%	1.73%	\$14,602.97	\$860,647.85
04/01/2023-06/30/2023	7.00%	1.75%	\$15,020.07	\$875,667.92
07/01/2023-09/30/2023	7.00%	1.76%	\$15,450.14	\$891,118.06
10/01/2023-10/31/2023	8.00%	0.68%	\$6,054.72	\$897,172.78
Prejudgment Violation Range			Quarter Interest Total	Prejudgment Total
05/01/2022-10/31/2023			\$79,570.78	\$897,172.78